

ESTTA Tracking number: **ESTTA721167**

Filing date: **01/19/2016**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92058956
Party	Defendant 578539 B.C. Ltd.
Correspondence Address	PAUL W REIDL LAW OFFICE OF PAUL W REIDL 241 EAGLE TRACE DRIVE, SECOND FLOOR HALF MOON BAY, CA 94019 UNITED STATES paul@reidllaw.com
Submission	Reply in Support of Motion
Filer's Name	Paul W. Reidl
Filer's e-mail	paul@reidllaw.com
Signature	/pwr/
Date	01/19/2016
Attachments	GK Reply. docx.pdf(162771 bytes)

BEFORE THE UNITED STATES PATENT AND TRADEMARK OFFICE
TRADEMARK TRIAL AND APPEAL BOARD

Registration No. 4,156,487

Mark: MAICO and Design

J. GARY KORTZ,

Petitioner,

v.

578539 B.C Ltd.,

Respondent.

Cancellation No. 92058956

**REPLY MEMORANDUM
MOTION FOR JUDGMENT ON
THE PLEADINGS**

This case raises the same issues as the *Cook* case which the Board dismissed with prejudice because Mr. Cook failed to plead a claim that the Board could adjudicate. *Eric Cook v. 578539 B.C Ltd.*, No. 92058956 (Order of December 2, 2015)(Docket No. 16)(not precedential). Mr. Kortz is also a competitor of Registrant and he and Mr. Cook are represented by the same counsel. The same result is warranted here.

A Motion for Judgment on the Pleadings tests the legal sufficiency of the pleadings, in this case, the adequacy of Petitioner's legal theories. Petitioner's Opposition Memorandum illustrates the fundamental flaw with his Petition: like Mr. Cook, he does not understand that the Board's authority to cancel a registration is limited to the grounds specified in the Lanham Act as interpreted by applicable case law. These grounds do not include claims arising from how Registrant uses the mark in the marketplace. Thus, all of the bad things alleged about Registrant's use of the mark, what Petitioner's surveys would allegedly show about Registrant, and what Petitioner claims he can prove after discovery are moot because his legal theories do

not state a claim that the Board can adjudicate and that, if proven, would require cancellation of the registration. Each of his arguments is discussed below.¹

1. **False Association/Likelihood of Confusion.** Petitioner argues that he is entitled to prove that consumers associate the registered mark with Respondent instead of the defunct German company. (Opposition Mem. at 3:17-21). Even if proven, this would not establish a false association claim because Petitioner never alleges that the mark points uniquely to **him**, not the German company. (Registrant’s Mem. at 3:20-4:4).

The Petition does not allege a likelihood of confusion claim under Section 2 (d) so the Board should not consider that claim as raised in the Opposition Memorandum. In any event, the law is clear that in order to prevail on a Section 2 (d) claim the Petitioner must show that he owns proprietary rights in the trademark. *See* 15 U.S.C. § 1052 (d); *Herbko International Inc. v. Kappa Books Inc.*, 308 F.3d 1156 (Fed. Cir. 2002); *Otto Roth & Co., Inc. v. Universal Corp.*, 640 F.2d 1317 (CCPA 1981). Petitioner pleads and argues otherwise, namely, that the mark is in the “public domain” and “generic” (or, in its Opposition Memorandum, that the German company did not abandon it and presumably still owns it through some unidentified successor in interest), and that consumers believe that Registrant has something to do with the defunct German company – not Petitioner. As in the *Cook* case, this claim must fail.

Finally, as for the unpleaded claim that Respondent’s goods are inferior (Opposition Mem. at 3:20-21), this is not a ground on which the Board may cancel the registration.

¹ Petitioner’s claim that his Petition should be read creatively because it was filed pro se (Opposition Mem. 1:21-2:3) should be ignored. He has been represented by counsel since August 6, 2015 – five months – which provided ample time for counsel to amend the Petition if he thought that was necessary. (Docket No. 14). For example, if counsel had wanted to add a Section 2 (d) claim or attempt to plead the fraud claim with the specificity required by Rule 9 (b) he had ample time to do so but he did not. Petitioner has not conducted any discovery.

1 2. **Abandonment.** Petitioner argues that there is an issue of fact as to whether the
2 registered mark has been abandoned by the defunct German company prior to the filing of the
3 application. (Id. at 4:16-6:7). Petitioner should be estopped from making this argument because
4 he pleads as facts that the German company ceased to exist 29 years ago and that the mark has
5 been abandoned.²

6 In any event, the alleged factual question is a red herring. Abandonment has nothing to
7 do with any of the claims or defenses. Petitioner is not asserting that Registrant has abandoned
8 its trademark rights, nor is Petitioner alleging that he owns any trademark rights (that Registrant,
9 as a defense, is asserting have been abandoned.) The fact that others may have used the mark
10 after the demise of the German company and before Registrant filed its application has no
11 bearing on this case unless Petitioner can show that he is the successor in interest to the German
12 company. That is not alleged; to the contrary, the Petition alleges that the term is “generic” and
13 “in the public domain.”

14 3. **Deceptiveness/Likelihood of Confusion.** Petitioner next argues that the use by
15 of Respondent of the German company’s trademark is deceptive and causes a likelihood of
16 confusion. (Id. at 6:6–8:12). Petitioner is again wide of the mark. For purposes of refusing
17 registration, the deceptiveness must be inherent in the mark not in the manner in which it is used
18 in the marketplace. (Registrant’s Mem. at 4:19-5:5). That is not the case here. The term “maico”
19 is a coined term, not a dictionary term, and does not describe motorcycles in any way. All of
20

21 ² Petitioner’s attempt to distinguish the *General Motors* case is inapposite. (Opposition
22 Mem. at 5:5-2:20.) In each of the cases cited by Petitioner the party claiming non-abandonment
23 was asserting continued ownership of the mark. That is not alleged here. As a practical matter,
24 the three year period of non-use by the defunct German company arose decades ago and
Petitioner provides no explanation as to how he could possibly overcome the statutory
presumption of abandonment.

1 needed for the Board to conclude that Petitioner's theories are not viable. As in the *Cook* case,
2 Petitioner clings stubbornly to his belief that the Board is the arbiter of all things related to a
3 registration - whether statutory grounds for cancellation or not. That is simply incorrect. The
4 Board's authority is limited to the specific grounds for cancellation set forth in the Lanham Act.
5 Everything else is the province of the Federal Courts. (Registrant's Mem. at 6:20 -7:17).
6 Petitioner had the opportunity to litigate his cancellation case as a counterclaim in the Federal
7 Court action but he and his counsel insisted that the Board, not a Federal Court Judge, was the
8 appropriate decision maker on cancellation claims. Registrant agreed to dismiss the Federal case
9 so that Petitioner could have the Board could decide his cancellation claim.⁴ The Board should
10 do so and enter judgment on the pleadings.

11 Respectfully submitted,

12 **LAW OFFICE OF PAUL W. REIDL**

13 

14 By: _____

15
16 Dated: January 19, 2016

17 Paul W. Reidl
241 Eagle Trace Drive
Second Floor
Half Moon Bay, CA 94019
18 (650) 560-8530
paul@reidllaw.com

19 *Attorney for Respondent,*
20 *578538 B.C. Ltd.*

21
22
23 ⁴ At the time of the dismissal of the Federal case, Petitioner was represented by the same
24 counsel as in this case so the decision to eschew the Federal Court for the Board was an informed
one.

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24

REPLY MEMORANDUM ON MOTION FOR JUDGMENT ON THE PLEADINGS

on Petitioner by placing a true copy thereof in the United States mail enclosed in an envelope, postage prepaid, addressed as follows to their counsel of record at his present business address:

Executed on January 19, 2016 at Half Moon Bay, California.

James Beird